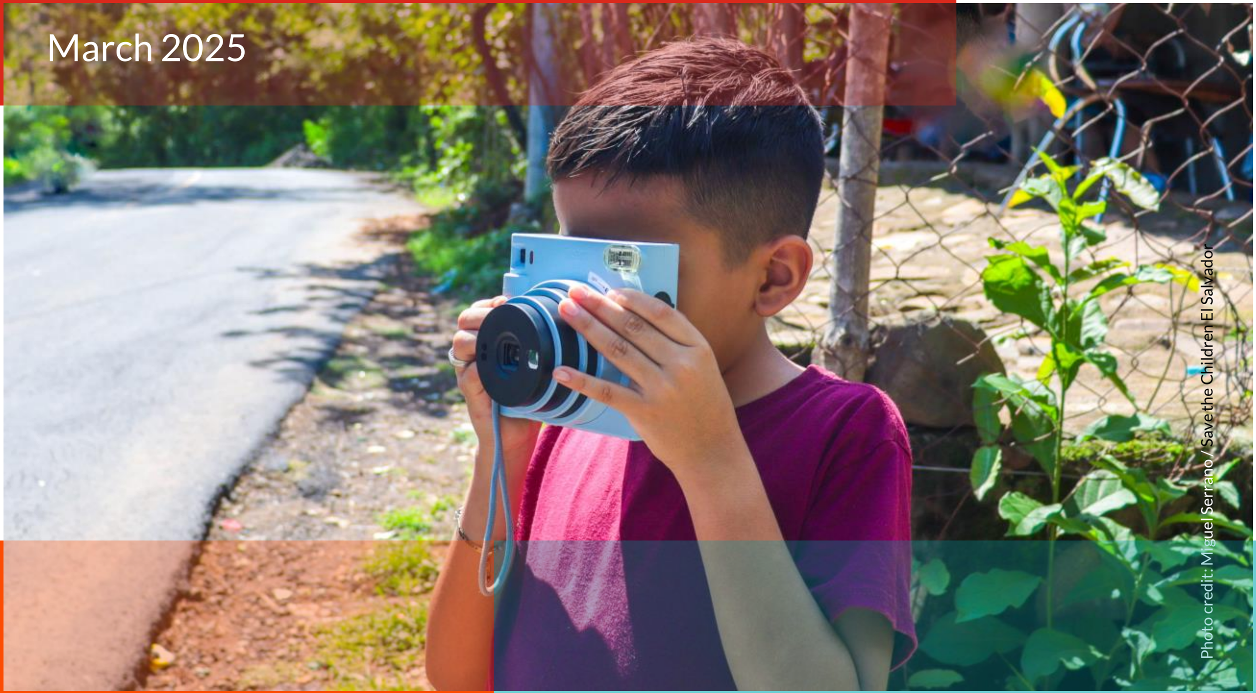
CHILD-LENS INVESTING

March 2025



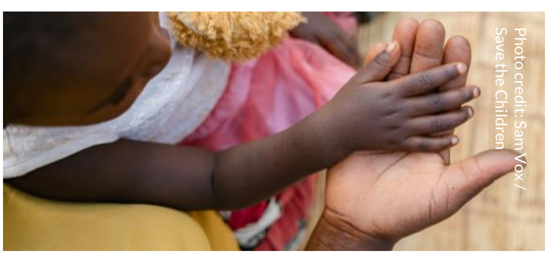
INTRODUCTION

Why child-lens investing?

Children – without voices or champions of their own– have been almost entirely overlooked by the field of impact investing. The impact investing market is estimated at approx. $1.571 trillion[1], yet despite growth in recent decades, few child-centred investing strategies exist. Of the capital that does reach children, most flows passively through child-related sectors (e.g., learning, nutrition and WASH) and tends to lack any intentionality for children. Without a focus on achieving measurable impact specifically for children, children's needs and challenges are often overlooked and underfunded. Our children deserve much better.

The need has never been greater. Millions of children globally still do not have access to quality learning, are dying from preventable causes and face severe challenges related to climate change. Our future societies are being denied opportunities to reach their full potential.

The impact investing sector needs to view children not as passive beneficiaries, but as an emerging generation that can unlock the future of our collective economies and societies. To do this, more capital must be mobilised intentionally towards investment opportunities that improve outcomes for underserved children, and ultimately, our future generations.



What is child-lens investing?

Child-lens investing is the structured method by which investors consider the current and/or potential of an investment opportunity to **intentionally impact children in a positive manner.** Child-lens investing involves rigorously integrating these considerations into investment decision-making, structuring and impact measurement.

Child-lens investing at Save the Children

Save the Children Global Ventures (SCGV) is pioneering child-lens investing by developing the **first child-lens investment funds in the market**. Our funds' investment strategies are designed around an intensive child-lens investment approach, which delivers intentionality, integrity and rigour and to investing in and for children[2].

Child-screened	Child-inclusive	Child-centred
Children as affected stakeholders	Children as indirect or discrete beneficiaries	Children as primary beneficiaries
MINIMISE OR AVOID CAUSING HARM TO CHILDREN		
ADVANCE CHILDREN'S BEST INTERESTS		
unicef	INVEST IN SOLUTIONS FOR CHILDREN	

Based on UNICEF's taxonomy of child-lens investing (2023).

SCGV is also collaborating with UNICEF and others to promote child-lens investing throughout the industry to **catalyse more funding for children at scale**.

1 GIIN (2024)
2 Children (aged 0-18 years) and young people (18-25 years)

PRINCIPLES

SCGV's child-lens investing approach centers around the following principles:

Children's empowerment

We recognise children as agents of future change, rather than passive beneficiaries. We seek to bring a new mindset to investing in children, going as far as incorporating their views into our investment approach and impact evaluation wherever possible.

Intentionality

Intentionality fundamentally anchors our investing approach. We believe that systemically introducing investment intentionality for children is the medium by which to catalyse more capital for children.

Integrity

We hold ourselves to a high standard while implementing child-lens investing. Every SDG has the potential to serve children in some form, but passive impact delivery will not achieve our goals for children. We believe that intentionality and quality for children should not be compromised, and this underpins our accountability to children.

Rigor

We rigorously assess potential impact based on data and evidence and we measure robust outcomes that demonstrate progress towards our intended impact for children.

Market-building

We commit to bringing child-lens investing into the mainstream by tangibly demonstrating that our investment aspirations for children can be implemented and outcomes realised. We will continuously innovate and ensure that our learnings, both success and failures, are shared openly with other impact investors.

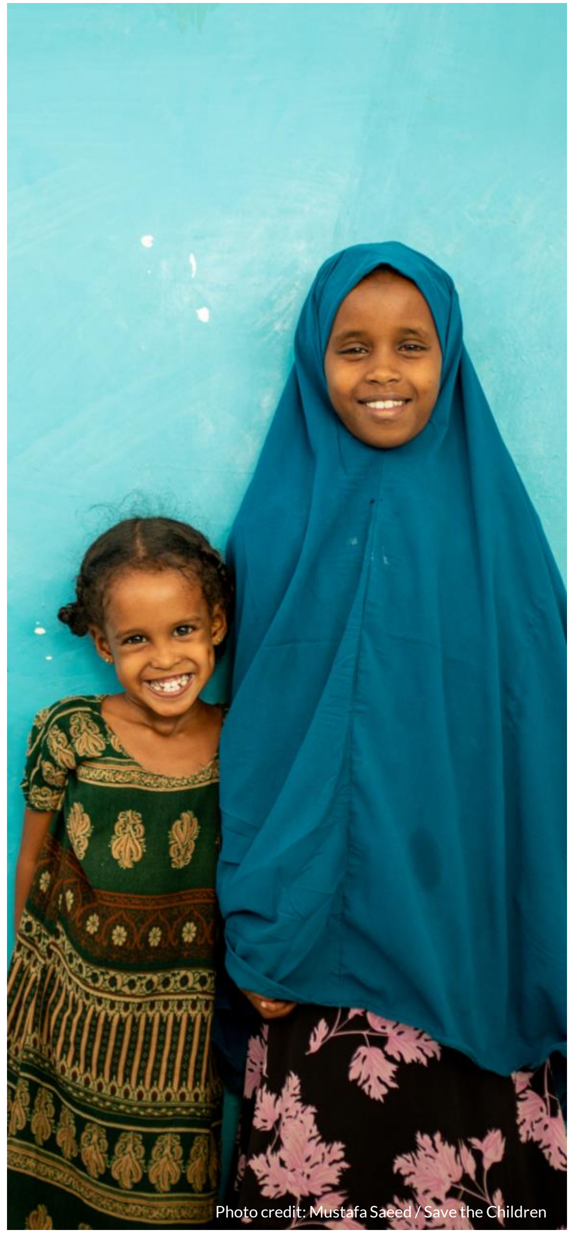


Photo credit: Mustafa Saeed / Save the Children

APPROACH

Save the Children Global Ventures (SCGV) have developed a comprehensive set of tools to apply child-lens investing across all phases of investment and impact management, outlined below in terms of pre-investment and post-investment *(see following pages for more detail)*.

Pre-investment

Potential investments go through a three-stage screening and assessment process to ensure rigour and intentionality with regard to impact on children:

1. Assess intentionality

Assess whether and how a business does or could impact underserved children

2. Create opportunities for child-focused impact

Enhance impact for children through child-focused investment structuring and technical assistance

3. Guide impact management

Offer resources and policies for detailed impact due diligence and customise child-centred impact management

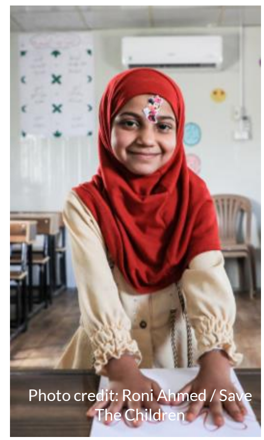


Photo credit: Roni Ahmed / Save The Children

Post-investment

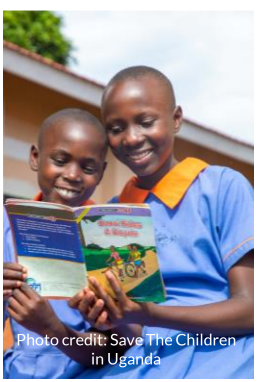


Photo credit: Save The Children in Uganda

4. Develop impact management process

Guide on developing a comprehensive impact measurement and management (IMM) processes, including feedback loops, reporting requirements and templates, etc.

5. Measure impact

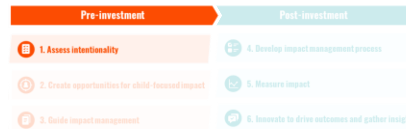
Apply a 'Menu' of child-centred metrics, based on UNICEF and Save the Children global outcome indicators

6. Innovate to drive outcomes and gather insights

Utilise innovative data collection methods (e.g., 'voice of children' lean data pilot)

CHILD-LENS INVESTING TOOLS

Pre-investment



1. Assess intentionality

The first consideration is intentionality – the degree to which a business targets children through its product or service (either currently or future potential).

To what extent does (or could) the business intentionally impact underserved[1] children?


Photo credit: Ulet Ifansasti / Save The Children

Focus on children

Business with clear intentionality

- **Across the Entire business** — The entire business is specifically designed to benefit underserved children
- **Across a segment of the business** — A segment of the business is specifically designed to benefit underserved children

Business with low / no intentionality

- **With direct impact** — The business is not designed specifically for underserved children, but children directly benefit
- **With indirect impact** — Underserved children benefit through the improved well-being of families, communities or the infrastructure that serves them

✓ **Go/No-Go**

1. 'Underserved' children can include any children who do not have access to essential resources, opportunities, or services. The definition of 'underserved' is context dependent and will be assessed on a case-by-case basis, rather than by pre-determined thresholds or demographic group.

CHILD-LENS INVESTING TOOLS

Pre-investment

2. Create opportunities for child-focused impact

There are various channels through which an investor may increase or introduce intentional impact on children. Such channels should be to further build upon existing intentionality.

How could an investment in this opportunity increase impact on children?

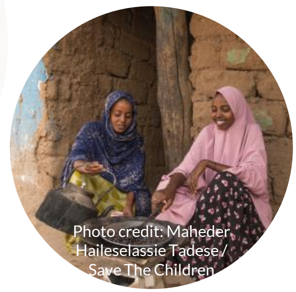


Photo credit: Maheder Haileselassie Tadese / Save The Children

Businesses with clear intentionality

Focus on A and B

Businesses with low/no intentionality

Focus on B, C and D

Technical assistance

A

Customize impact management for children

- Create or expand impact measurement systems for children's impact.
- Conduct in-depth research for improved insight and learning.
- Build outcomes-linked programs targeted at children's impact.

B

Build capacity to enhance impact on children

Offer technical experts, tools and relationships to:

- Drive scale to reach more children.
- Deepen impact by serving more marginalised children.
- Further refine businesses' product/service to enhance impact on children.

Investment structuring

C

Ringfence investment for children's impact

Structure investment to ensure that funding is dedicated to support and expand the child-focused segment of a business.

D

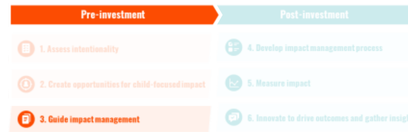
Expand business to reach children

Make an investment in a business conditional on expansion for children's impact (e.g., developing a new product/service)

Go/No-Go

CHILD-LENS INVESTING TOOLS

Pre-investment



3. Guide impact management

To complete the decision-making process, an investor should 1) conduct detailed impact due diligence[1] and 2) assess the potential to guide child-centered impact management.

Where are the opportunities for child-centered impact management?


Photo credit: Linh Pham / Save The Children

1. Detailed impact due diligence

Impact strategy	Review impact strategy and theory of change, looking at supporting data and evidence to understand linkages between the business and current/potential impact on underserved children. This will include considerations around vulnerability of children served, depth of impact, duration of impact, and urgency of need.
Environmental, Social & Governance (ESG)	Review businesses' child safeguarding policies and processes, and commitment to child rights (incl. alignment with Child Rights and Business Principles). Assess alignment with ESG considerations (e.g., environmental impact, female leadership).

Go/No-Go

2. Customised impact management

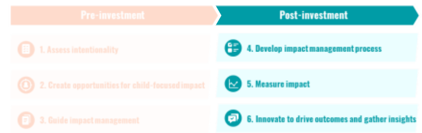
Impact metrics & reporting	Guide on identifying meaningful, robust impact indicators to track and report on.
Policy implementation	Introduce child protection and safeguarding policies.
Evaluation & insights	Support to define research objectives and methodology (if applicable).
Outcomes incentivisation	Define outcomes metrics and associated incentives (if applicable).

Final investment decision

1 See Appendix for more detail.

CHILD-LENS INVESTING TOOLS

Post-investment



Once a transaction has been completed, an investor may use a variety of tools to collaborate with portfolio companies to deliver on the intended impact.

4. Develop impact management processes

Develop a comprehensive impact measurement and management (IMM) framework, including reporting requirements and templates, setting targets and establishing feedback loops to embed learning and continuous iteration based on progress towards impact goals.

5. Measure impact

Capture impact on children and families using the child-lens metrics ‘bank’, which contains a comprehensive list of best practice impact indicators and methodologies (based on IRIS+, UN catalogs, Save the Children and other standards) to ensure companies are capturing robust data around children’s impact.

6. Innovate to drive outcomes and gather insights

Utilise innovative data collection methods (e.g., ‘voice of children’ lean data implementation – a participatory approach to impact evaluation).

Post-investment management at Save the Children

In addition to providing funding, a core element of SCGV’s child-lens investing approach is supporting companies with a tailored technical assistance package, leveraging Save the Children’s global network and expertise around health, education and child protection to help enhance and scale companies’ impact on children.

Photo credit: Esther Ruth Mbabazi / Save The Children

ALIGNMENT WITH LEADING INDUSTRY PRACTICE

Intersection with gender and other 'lenses'

SCGV's approach to child-lens investing also considers gender, refugee, racial equity, disability and other 'lenses', recognising that they can be synergistic and reinforcing of one another to enhance overall impact.

Gender- and child-lens investing are especially interrelated as:

- **Supporting girls directly through products and services** that are more suited to their specific needs reduces gender-based differences in outcomes for children.
- **Investing in female-led businesses and businesses which drive gender equality** significantly impacts children through supporting mothers, increasing household income, improved education opportunities and broader systemic improvements around gender equality.

2X CHALLENGE
FINANCING FOR WOMEN

Global principles and standards

SCGV's child-lens investing approach can be delivered in alignment with global impact management principles and standards, including:

Operating Principles for Impact Management

IMPACT MANAGEMENT PROJECT

IRIS+

Children's Rights and Business Principles

unicef

United Nations Global Compact

Save the Children

Photo credit: Mustafa Saeed / Save the Children

WHAT DOES THE FUTURE HOLD?

Child-lens investing holds a tremendous amount of innovation and expansion potential. In addition to using our tools to make investment decisions and support businesses post-investment, SCGV is looking at additional pathways for enhancing the practice of child-lens investing.

Some of our projects include:

1. **'Voice of children' through lean data**
   Children typically have no channel to voice feedback on the relevance and quality of a businesses' products/services. Conducting more direct research with children can help us understand how they think about the issues that affect them and, ultimately, respond to what children want and need. This approach shifts the view of children from subjects to active partners, valuing their critical perspectives and agency to contribute to impact evaluation. Therefore, SCGV is exploring an innovative participatory impact evaluation with 60 Decibels to incorporate children's voices in understanding the impact of an investment.
2. **Financial incentives to drive outcomes**
   SCGV is working with the IDP Foundation and Global Schools Forum on an outcomes payment program that evaluates and financially rewards schools for improved learning amongst students, demonstrated gender equality and climate resilience outcomes.
3. **Advocacy**
   In order to engage investors across the investment industry to more intentionally consider children's rights and wellbeing when making investment decisions, SCGV are partnering with UNICEF, Impact Investing Institute and others to share learnings and demonstrate the value of child-lens investing.

SCGV offers its child-lens investing approach to the field of impact investing as an example of utilising a structured framework to intentionally deploy capital for children. We encourage each investor to flexibly adopt the approach to the greatest extent that is feasible and most practical in the context of their strategy, governance and impact management systems.

SCGV invites partnerships along our journey of demonstrating the critical importance and power of investing in children and welcomes engagement to create a better world for generations to come.

To learn more, please visit our website at www.scgv.org or contact:

Paul Ronalds
Chief Executive Officer, SCGV
pronalds@scgv.org

Preeth Gowdar
Chief Investment Officer, SCGV
pgowdar@scgv.org

Anna von Griesheim
Senior Impact Manager, SCGV
avongriesheim@scgv.org

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EXAMPLE 1: JACKFRUIT FINANCE

Jackfruit

Jackfruit Finance is a Financial Institution dedicated to enhancing educational accessibility across Sub-Saharan Africa through tailored financing for low-fee private schools. In addition to financial products, Jackfruit Finance provides complementary services to borrower schools to enhance educational quality, such as clean water initiatives, nutritious meal programmes, subsidised textbooks, after-school programmes, and professional development for teachers. SCGV invested in Jackfruit Finance to expand its loan offering to schools.

The illustration below encapsulates how the child-lens investing framework was applied to this investment decision:

Pre-investment

1. Assess intentionality

Business with clear intentionality

Across the entire business
Jackfruit Finance is specifically designed to benefit underserved children through educational financing to low-cost schools.

Across a segment of the business

Business with low/no intentionality

With direct impact

With indirect impact

2. Create opportunities for child-focused impact

Technical assistance

A

Customize impact management for children

SCGV worked with Jackfruit Finance to capture a wider array of child-focused metrics – e.g., number of children (including girls/boys/with disabilities) reached through school loans, changes in school capacity and pupil retention – and are exploring how to measure student learning outcomes. In addition, SCGV are working with Jackfruit to understand more about how loan use (by schools) delivers impact to children through, for example, climate resilience and adaptation from classroom cooling, WASH outcomes through improved toilet facilities and clean water access, and enhanced quality of education through teacher training and learning materials.

3. Guide impact management

- **Outcomes incentivisation:** SCGV's investment in Jackfruit was motivated by the objective to support an impact-linked loans pilot (led by Global Schools Forum (GSF) and IDP Foundation), where schools are financially rewarded for improved learning, gender or climate resilience outcomes. SCGV seeks to scale this programme, partnering with GSF and IDP Foundation.

EXAMPLE 2: VIEBEG TECHNOLOGIES

VIEBEG Medical

Viebeg's mission is to revolutionise healthcare accessibility, affordability, and quality in Africa through a data-driven procurement platform that provides medical and pharmaceutical supplies and equipment to healthcare providers on-demand. SCGV invested in Viebeg to expand its pediatric and child-related equipment and supplies product line in response to increasing demand. Expanding pediatric supplies and equipment will directly improve healthcare for children, specifically in more remote areas, ensuring they receive necessary care closer to home.

The illustration below encapsulates how the child-lens investing framework was applied to this investment decision:

Pre-investment

1. Assess intentionality

Business with clear intentionality
- Across the Entire business
- **Across a segment business** – Paediatric and child-related medical equipment makes up a portion of Viebeg's business.

Business with low/no intentionality
- With direct impact
- With indirect impact

2. Create opportunities for child-focused impact

Technical assistance

A — **Customize impact management for children**

SCGV worked with Viebeg to capture more child-focused metrics – e.g., children treated using Viebeg products.

B — **Build capacity to enhance impact on children**

SCGV are collaborating with Save the Children Country Offices in Rwanda and DRC to reach more underserved children.

Investment structuring

C — **Ringfence investment for children's impact**

SCGV structured its investment to ensure funding is dedicated to support and expand Viebeg's child-focused segment – distribution of pediatric equipment.

3. Guide impact management

- **Impact metrics and reporting**: SCGV's investment built a new mechanism within Viebeg to deliver child-centred impact metrics and reporting, resulting in a more child-focused reporting system.

APPENDIX

An Impact Management Project (IMP) based approach to assessing impact for children

WHO	WHAT	HOW MUCH	CONTRIBUTION	RISK
Who does the business target (e.g., girls, young children, specific geographic settings)? How underserved/ vulnerable are the children the business is targeting? What contributes to their vulnerability?	What child-related outcomes does the business seek to achieve? How urgent are those outcomes for children/ communities? What data/ evidence underpins the business'' theory of change, linking activities to intended outcomes?	What is the degree of change children experience as a result of the business' activities? How many children or families does the business impact? Does the business generate outcomes in the short-, medium-, and/or long-term?	How much of the change is a result of the business' intervention? What is the additional value delivered to children?	What are the risks associated with this business in achieving impact for children? What could reduce or reverse the positive impact for children?